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Tirecraft: Stronger Than Ever and Growing Quickly

Unwavering Entrepreneurial Spirit Drives the Brand to Success

You have no doubt heard of the phoenix, a mythical bird that burned in a fire, but rose from the ashes stronger than before. It's certainly an apt metaphor for Tirecraft, a well-known and well-respected company that went through an ownership change a couple of years ago and fell on difficult times. It's now in the hands of tire professionals, who have once again turned it around into a strong brand that's growing successfully under the stewardship of its new corporate owners.

While the name known to many Canadians has remained the same, the company is operating under two divisions, one in the east and one in the west.

Adding value without adding expense

"Tirecraft is a name that's been around this industry for decades, is well-respected, and has a ton of equity, both at the retailer and supplier level," says Don Gauthier, general

manager of Tirecraft Eastern Canada. "Our goal now is to simply enhance the program to insure it's responsive to our members' needs, and address the market changes as they occur. Adding value, without adding expense, by way of making it easier for our membership to conduct business is our number-one goal."

Realizing the value of the brand, two Alberta dealers, Kirk's Tire and Trail Tire, purchased the Tirecraft name in 2008.

Al Barnim Inc. of Ontario also became a partner, and as a result, the two divisions were formed: Tirecraft Western Canada, and Tirecraft Eastern Canada. Currently, the western division has 35 stores, one wheel distribution and four tire distribution centres, and two retread plants, while the eastern division consists of 45 stores, and is partnered with Regional Tire Distributors in two tire distribution centres in Ontario.

Tire people run tire businesses

"The short-term goal is to bring strong dealers and business partners to the Tirecraft brand," says Bob Anderson, president of Tirecraft Western Canada, based in Edmonton. "Tire people run tire businesses, end of story. Tirecraft consists of a group of entrepreneurial individuals, each well-trained in every aspect of the tire business. The group managing the Tirecraft brand today is very much in tune with how the businesses should operate, and market by market, they are the strength of those businesses. Long-term, our collective goal is to be an amalgamation of Tirecraft East and West, representing the Tirecraft brand nationally."

Strong emphasis on service

Tirecraft sees itself as a retail selling group, rather than a buying group, with a



Todd Richardson, Don Gauthier, and Bruce Barnim

photos: Jack Kazmierski





Todd Richardson, Sales & Marketing manager
for Tirecraft Eastern Canada



Bruce Barnim

strong emphasis on improving service to customers while leveraging the efficiencies of a store network. "Tirecraft is the program banner name, while each member's name is maintained to leverage the equity built up over the years in their local communities," says Todd Richardson, Sales & Marketing manager for Tirecraft Eastern Canada. "This change has already opened up new doors to the program."

Each store is also tailored for the area in which it's located. "We're a very broad-based group," says Ray Lehman, Dealer Development manager of Tirecraft Western Canada. "Depending on the market, a dealer could be stronger in off-road, agricultural, or commercial businesses than they are in, say, the retail or mechanical side, but most of them have everything to offer as a full-line service. That's part of the criteria for Tirecraft stores as we go forward; we want to service everyone."

Seamless service

According to Anderson, it's that community-based approach that each individual store took that made the transition much easier. In many cases, he says, consumers weren't even aware of the changes at the corporate level, especially as Tirecraft dealers kept their names and, in most

cases, sourced their products as best they could, with the singular aim of providing seamless service to their local customers until a structured program could be put in place. "The businesses we're affiliated with in the East and West were going concerns right through all of 2008, in spite of the unfortunate circumstances," he says. "But by and large, the customers had dealt with the people in those locations for years. I don't think anyone saw any change."

In Ontario, a trade fair and banquet held in February in Cambridge introduced dealers and prospects to the brand name; Richardson says that over 90 percent of those who were dealers under the old program have stayed on for the new one. Another fundamental change to the program has been the introduction of Tire Service Network, or TSN, which provides a seamless service solution to fleet operators. "It's in place, with a Web-based 24/7 tire service solution," Richardson says. "When a company has a truck down at 2 am, they call our Tirecraft 1-800 number, and the fleet profile is already preloaded into the system, so the service is carried out to the standard predetermined by that fleet. Then all the billing comes back through their servicing dealer. This is a very exciting enhancement to our program and even though we're independent businesses, we can present a single face and a single solution to our fleet customers."

Growing quickly but sustainably

The eastern division's warehousing system, Regional Tire Distributors, plays a big role in building the strength of the Tirecraft brand. The two warehouses provide the network of stores with up to "four times daily" service, ensuring the best possible customer service through timely product access.

With over 80 locations already established in just a few months, the Tirecraft program is growing quickly. However, both divisions are taking a methodical approach that will result in sustainable growth.

"The strength of our associate program comes from the unwavering entrepreneurial spirit that exists amongst our membership, which is comprised of a mixture of both new and former Tirecraft associates," Gauthier says. "This broad-based experience and knowledge provides us with front-line insight that keeps us on target and on the leading edge of market evolution."

An effective team

"The broad experience of our membership, coupled with our enhanced marketing approach, will definitely help Tirecraft grow, even in the uncertain economic times we are experiencing today," Anderson says. "The poor economy is having some impact on our business, especially in the commercial segment, but it is tracking to expectation. Our new programs and initiatives are having a positive impact. Combine all of this with the equity of the Tirecraft brand, and our strong membership which is comprised of successful entrepreneurs, [and] we have a very effective team going forward."

"The combined effort of Tirecraft Eastern and Western Canada is going to re-establish the Tirecraft brand nationally. That's why our partners in the east are doing what they're doing, and the manufacturers have seen the benefit as well. We're two separate companies, but we're working in partnership to achieve our common goals," he says.

"It's a development process, but we want to be sure we're doing the best possible for the consumer by partnering with dealers who have a solid sales, service and business background. We want to be stronger, but we need to be smarter. A collective effort will keep everyone on the right path and will insure our continued success." ■

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